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CAMBRIDGE NATIONALS IN BUSINESS

Level 1/2

R061 - INTRODUCTION TO BUSINESS

DELIVERY GUIDE

DECEMBER 2014

CONTENTS

Introduction	3
Unit R061 - Introduction to business	4
Key terms	5
Misconceptions	6
Suggested activities	12
Learning Outcome 1 - Understand business ownership	12
Learning Outcome 2 - Understand business objectives	13
Learning Outcome 3 - Understand key functional areas of business	15
Learning Outcome 4 - Understand how external factors impact on businesses	18



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INTRODUCTION

This Delivery Guide has been developed to provide practitioners with a variety of creative and practical ideas to support the delivery of this qualification. The Guide is a collection of lesson ideas with associated activities, which you may find helpful as you plan your lessons.

OCR has collaborated with current practitioners to ensure that the ideas put forward in this Delivery Guide are practical, realistic and dynamic. The Guide is structured by learning objective so you can see how each activity helps you cover the specification.

We appreciate that practitioners are knowledgeable in relation to what works for them and their learners. Therefore, the resources we have produced should not restrict or impact on practitioners' creativity to deliver excellent learning opportunities.

Whether you are an experienced practitioner or new to the sector, we hope you find something in this guide which will help you to deliver excellent learning opportunities.

If you have any feedback on this Delivery Guide or suggestions for other resources you would like OCR to develop, please email resourcesfeedback@ocr.org.uk.

PLEASE NOTE

The activities suggested in this Delivery Guide **MUST NOT** be used for assessment purposes. (This includes the Consolidation suggested activities).

The timings for the suggested activities in this Delivery Guide **DO NOT** relate to the Guided Learning Hours (GLHs) for each unit.

Assessment guidance can be found within the Unit document available from www.ocr.org.uk.

The latest version of this Delivery Guide can be downloaded from the OCR website

<http://www.ocr.org.uk/qualifications/cambridge-technicals-it-level-3-certificate-introductory-diploma-diploma-subsidary-diploma-extended-diploma-05347-05349-05352-05355-05358/>

OPPORTUNITIES FOR ENGLISH AND MATHS SKILLS DEVELOPMENT

We believe that being able to make good progress in English and maths is essential to learners in both of these contexts and on a range of learning programmes. To help you enable your learners to progress in these subjects, we have signposted opportunities for English and maths skills practice within this resource. These suggestions are for guidance only. They are not designed to replace your own subject knowledge and expertise in deciding what is most appropriate for your learners.

KEY



UNIT R061 – INTRODUCTION TO BUSINESS

Guided learning hours : 30

PURPOSE OF THE UNIT

This unit will provide learners with knowledge and understanding of how different forms of business ownership operate. It will cover how businesses are run in terms of their form of ownership, the impact of external factors on business success, understanding the different objectives businesses may have, and the key functional areas within a business which enable it to operate effectively.

Many areas taught in this unit will also be built upon and additionally assessed in an applied context in unit R063, such as; business objectives, finance, marketing, production/operations, human resources and external factors. This may well influence the way this unit is chosen to be delivered.

Learners will be taught different forms of business ownership and consider which of these forms of ownership are appropriate for different forms of business. They will be introduced to the concept of business objectives and understand how, and why, they are important to a business, and indeed why they may change over time.

Learners will also look at factors which impact on small, medium and large businesses such as basic social and economic factors and understand the restrictions that these factors place on business activity. They will also begin to consider how a business operates in terms of its key functional areas and the specific activities and responsibilities within each area.

The unit encourages learners to take the knowledge they have acquired from the teaching, and investigate how this relates to businesses in the real world. The external assessment will draw on the learners' research and assess what they have learned, in an applied context, to a fictional business.

On completion of this unit, learners will have developed analytical and evaluative skills by conducting research on real businesses and applying this in the examination so that they have an understanding of business operations and their application in a realistic context. The skills and knowledge acquired by completing this unit will be transferable to further learning in their qualification, in terms of being able to apply business knowledge to enterprise activities in other units. It will also assist learners entering the world of work in terms of understanding how businesses operate.

Learning Outcome — The learner will:
1 Understand business ownership
2 Understand business objectives
3 Understand key functional areas of business
4 Understand how external factors impact on businesses

KEY TERMS

Explanations of the key terms used within this unit, in the context of this unit	
Key term	Explanation
Business to business	Some businesses in the research brief may sell to other businesses. It is important to distinguish between different objectives in terms of dealing with other businesses. May be delivered as part of R063.
Consumer	This is the person/group/business that uses the goods and services e.g. child.
Cost	This is often confused with price. Cost is the amount of money a business has to pay for raw materials, labour, rent etc. in order to make and sell finished goods and services. These costs will have an impact on pricing, the level of profit and break even. May be delivered as part of R063.
Customer	This is the person/group/business that buys the goods and services e.g. parent.
HRM	This could be delivered as part of R062.
Location	This is where a business is physically located.
Market segmentation	Specific parts of the consumer market e.g. age. This concept needs to be applied to business activities and how it impacts on them such as market research techniques appropriate to the specific context of the business in the research brief. May be delivered as part of R063.
Marketing Mix	A combination of the 4ps which is ever-changing and relevant to the particular market and industry in the research brief. If asked about the mix it is important that it is particularly applied to the research brief and local business. May be delivered as part of R063.
Place	This is distribution not location. It is often confused when answering questions.
Price	Price is the amount of money charged by a business for the purchase of its products or services. It will be calculated in different ways but usually includes an element of profit. It will impact the volume of demand, revenue, profit and image of a business. It can be delivered as part of R063.
Pricing	This includes a number of methods such as penetration, skimming, psychological and mark up for example. One or more of these might be relevant to the business in the research brief. May be delivered as part of R063.
Profit	Too many learners think profit will rise if costs fall and rise if sales increase. Profit will only change if both sales and costs change in some way. May be delivered as part of R063.
Research brief	This is the key to this unit. The pre-release of a particular business must be prepared thoroughly using local business research. This research brief is the basis of all the assessment in the examination.
Strategy	This is a long term plan which can be adjusted to suit a changing market. For example in a business selling clothing, the market, fashion, method of manufacture is always changing hence any marketing strategy needs to change to meet these changing characteristics. Learners find this particularly difficult but should really understand the context of the research brief in order to have a chance of analysing a marketing strategy. May be delivered as part of R063.

MISCONCEPTIONS

Some common misconceptions and guidance on how they could be overcome		
What is the misconception?	How can this be overcome?	Resources which could help
Teachers teach each unit as if they were stand-alone and separate.	Integration is the key to teaching business as all functions are interdependent. R061 LO4 could be integrated throughout the course. R062 and R063 could be taught first and the examined unit (R061) could be taught at the end using all of the knowledge gained throughout the previous units. At all times real business examples should be used and referenced.	<p>Past Pre-release Materials (Case Studies/ Research Briefs), Past Papers, Mark-schemes and this Delivery Guide should all be used to get a thorough understanding of what is expected.</p> <p>Also refer to the Examiner's Report/OCR Report to Centres for each examination series.</p> <p>All available from:</p> <p>http://www.ocr.org.uk/qualifications/cambridge-nationals-business-level-1-2-award-business-and-enterprise-level-1-2-certificate-j804-j814/</p>
Research Brief is a working document upon which many of the questions are based. Higher reward can only be achieved by reference to this and own research.	Active and realistic research into local businesses similar to that described in the research brief. The brief is set out in the order of the learning outcomes apart from LO4 which should be prepared when all the other parts of the brief have been analysed.	<p>Past Pre-release Materials (Case Studies/ Research Briefs), Past Papers, Mark-schemes and this Delivery Guide.</p> <p>Also refer to the Examiner's Report/OCR Report to Centres for each examination series.</p> <p>All available from:</p> <p>http://www.ocr.org.uk/qualifications/cambridge-nationals-business-level-1-2-award-business-and-enterprise-level-1-2-certificate-j804-j814/</p>
Name of business – teachers have been confused by this as it is not mentioned in the research brief.	Name of business is on the first page of the paper and thereafter referred to by name in the assessment material.	<p>Past Papers, Mark-schemes.</p> <p>All available from:</p> <p>http://www.ocr.org.uk/qualifications/cambridge-nationals-business-level-1-2-award-business-and-enterprise-level-1-2-certificate-j804-j814/</p>
LO1 – Teachers spend a lot of time delivering very detailed information around business ownership. Ideally this should be taught in around 3 hours.	For the business types, teachers could cover number of owners and shareholders, liability, how it is formed, benefits, drawbacks and local examples. This could be done in a simple table. They should apply these to real businesses. It is important learners understand the criteria that would encourage a business to change, these might include; growth in market for product and service, expansion, need for finance, shared risk, changing fashions, need for skills. Learners should research, analyse and evaluate examples locally, nationally and internationally.	<p>Past Pre-release Materials (Case Studies/ Research Briefs). These can be used to investigate, analyse and evaluate why different business organisations operate in this economy and further afield.</p> <p>All available from:</p> <p>http://www.ocr.org.uk/qualifications/cambridge-nationals-business-level-1-2-award-business-and-enterprise-level-1-2-certificate-j804-j814/</p>

Some common misconceptions and guidance on how they could be overcome		
What is the misconception?	How can this be overcome?	Resources which could help
LO2 – The purpose of business objectives.	<p>This LO should be an aid to those doing R063. The purpose of business objectives – this can be linked to LO1 and the type of objectives each type of organisation might have. The most important issue is that some objectives have to be continually reviewed depending on what is happening in the economy/ market. This is where external factors (LO4) might be introduced.</p> <p>Purpose of objectives might include:</p> <ul style="list-style-type: none"> • Giving direction and purpose to the organisation and employees. • Setting targets such as production and sales. • Setting long term plans eg increase profit, decrease costs , increase sales. • Motivation. 	<p>Past Pre-release Materials (Case Studies/ Research Briefs) contain a section headed 'objectives'. Learners should look at these to understand and use this learning outcome.</p> <p>All available from:</p> <p>http://www.ocr.org.uk/qualifications/cambridge-nationals-business-level-1-2-award-business-and-enterprise-level-1-2-certificate-j804-j814/</p>
LO2 – Different types of business objectives. Calculations are not required in the exam for this section.	<p>Profit – The difference between the revenue gained for selling a product or service minus what a product or service costs to produce and sell. Teachers should emphasise the three components of profit ie value of sales, volume of sales and cost of sales eg reduced costs do not necessarily mean increased profit, it depends on whether sales change and how they change. Profit is not the same as cash. There is no requirement to create profit and loss accounts or to distinguish between different types of profit. Some businesses do not pursue profit as an objective.</p>	<p>Past Pre-release Materials (Case Studies/Research Briefs), Past Papers, Mark-schemes. Use examples of local businesses.</p> <p>http://www.ocr.org.uk/qualifications/cambridge-nationals-business-level-1-2-award-business-and-enterprise-level-1-2-certificate-j804-j814/</p>
	<p>Social benefit – Teach this using real examples from local charities. Learners only need to know that some organisations are non-profit making and offer benefits to the community. You could introduce ethics (LO4) at this point.</p>	
	<p>Sales – In a lot of organisations this is more important than profit. Sometimes known as turnover and is price x quantity.</p>	
	<p>Market share – The proportion of the total sales that a product or a business holds. Further development only needed if specifically highlighted in the research brief. Teachers could use examples of pie charts showing different industries.</p>	
	<p>Provide effective service to the public – This does not include the public sector. It is simply to emphasise that businesses sell services as well as products and teachers should concentrate on how this can be effective eg personal service might be more important (technological changes (LO4) could be introduced here).</p>	
	<p>Survival – Is essential to all business. Teachers need to teach the criteria for survival eg sufficient cash (not necessarily profit), sufficient sales to cover costs and a loyal market.</p>	
	<p>Growth – It is not the objective of every business. Do not need to teach mergers, integration etc. Should include reasons businesses grow - to meet demand, to raise money, to expand abroad or nationally, to sell different products or services, to increase market share.</p>	

Some common misconceptions and guidance on how they could be overcome		
What is the misconception?	How can this be overcome?	Resources which could help
LO2 – Why business objectives may change over time.	Ever changing nature of the market both at home and abroad, competition, changing management, growth of business, and change in external factors (LO4).	Past Pre-release Materials (Case Studies/Research Briefs), Past Papers, Mark-schemes. Use examples of local businesses. http://www.ocr.org.uk/qualifications/cambridge-nationals-business-level-1-2-award-business-and-enterprise-level-1-2-certificate-j804-j814/
LO2 – The Importance of business planning.	This is linked directly to R063 and therefore could be used as part of the GLH for that unit in some cases. Learners do not need to write a plan for the exam. They should know the reasons business plans are made and their uses and importance including: <ul style="list-style-type: none"> • To organise resources. • To create forecast for sales and profit and cash. • To raise finance. • To provide targets and direction. • To monitor progress. • To evaluate outcomes. The word 'importance' implies that learners will need to analyse and evaluate business planning as a tool.	Past Pre-release Materials (Case Studies/Research Briefs), Past Papers, Mark-schemes. Use examples of local businesses. http://www.ocr.org.uk/qualifications/cambridge-nationals-business-level-1-2-award-business-and-enterprise-level-1-2-certificate-j804-j814/
LO2 – The impact of change on business objectives.	Impact of change on business objectives. Teachers need to look at all the external factors (LO4) and how they impact on objectives in particular survival and sales. They should also look at internal factors such as the workforce to analyse how change might affect objectives. The research brief will make it clearer how to focus the teaching of this element of the specification.	Past Pre-release Materials (Case Studies/Research Briefs), Past Papers, Mark-schemes. Use examples of local businesses. http://www.ocr.org.uk/qualifications/cambridge-nationals-business-level-1-2-award-business-and-enterprise-level-1-2-certificate-j804-j814/
LO3 – Understanding key functional areas of business. This should be integrated into the learning hours for R062 and R063. Finance – no calculations needed for any part of this.	Raising finance – Learners should know shares, loans, overdrafts, trade credit, own savings, partners investment, profit, leasing, government grants. Learners need to know which type of finance is best for different needs eg purchasing assets or paying wages. Learners should also be aware of how to choose finance eg amount needed, time period, what it is for, rate of interest. Learners do not need to know details about shares or rates of interest. It is about applying different types of finance and where it comes from. It can be linked back to LO1 and types of organisation. The research brief will identify the general requirements of the business to narrow the area of research and teaching. (Linked to R063).	Past Pre-release Materials (Case Studies/ Research Briefs) which shows a number of scenarios where costs and revenues affect break even could be used. Bringing in and interviewing actual businesses. Past Papers, Mark-schemes. http://www.ocr.org.uk/qualifications/cambridge-nationals-business-level-1-2-award-business-and-enterprise-level-1-2-certificate-j804-j814/

Some common misconceptions and guidance on how they could be overcome		
What is the misconception?	How can this be overcome?	Resources which could help
<p>LO3 – Understanding key functional areas of business. This should be integrated into the learning hours for R062 and R063.</p> <p>Finance – no calculations needed for any part of this.</p>	<p>Costs, revenue, profit – This should have been mostly covered in LO2. Costs should include knowledge of the difference between cost and price. Also the distinction between fixed and variable costs and different costs which will be paid in different businesses and for different things should be researched. Learners should understand that a change in one will eg increased costs will not necessarily reduce profit.</p>	
	<p>Cash flow – No calculations or forecast needed. Learners should know what it is and how it is used especially when business planning (R063). The importance is paramount and the difference between profit and cash emphasised.</p>	
<p>LO3 – Understanding key functional areas of business. This should be integrated into the learning hours for R062 and R063.</p> <p>Finance – no calculations needed for any part of this.</p>	<p>Breakeven – No calculations or graphs required. Simply need to know what it is ie the point of sales/ output where total revenue equals total cost. Important to know that it is measured in items of number of sales NOT value. This could be linked to work on objectives such as survival and also to business planning and R063. Once again it is its use and its limitations which are important to a business.</p>	
<p>LO3 – Understanding key functional areas of business – Marketing – This is an important area and should be taught as a whole topic rather than individual parts. Looking at past research briefs /questions and mark schemes are essential. This also integrates with R063.</p>	<p>All external factors will impact on a business' ability to market their goods and services. Learners need to be aware that marketing is not just advertising. It is a method of identifying needs in a market, creating and distributing a product or service to meet those needs at a profitable price and creating awareness of those needs in order to gain sales.</p>	
	<p>Market segmentation – Need to know definition and how it impacts on other areas of marketing eg promotion and market research.</p>	
	<p>Market research – Should know: Primary research – ie methods, benefits and drawbacks. Also this forms part of the research which needs to be done for the research brief. It is also part of R063. Secondary research – ie methods, benefits and drawbacks. Also this forms part of the research which needs to be done for the research brief. It is also part of R063.</p>	
	<p>The development for the marketing mix is highlighted in the specification as it specifically says 'activities carried out'. No part of the mix is standalone; all parts have to work together and are changeable dependent on the state of the market.</p>	

Some common misconceptions and guidance on how they could be overcome		
What is the misconception?	How can this be overcome?	Resources which could help
LO3 – Understanding key functional areas of business – Marketing – This is an important area and should be taught as a whole topic rather than individual parts. Looking at past research briefs /questions and mark schemes are essential. This also integrates with R063	Product – Should include services as well as product. This should include the product mix, how businesses choose the mix and how it might change overtime.	
	Price – Should include factors which determine price eg fashion, external factors such as the economy, costs, profit objectives and competition. Learners should also be able to know and understand pricing strategies such as penetration, skimming, mark up and psychological pricing and how they are used in different circumstances eg in the marketing section of the research brief.	
	Promotion – Methods of above the line and below the line promotion eg choice of media, television, radio, internet, social network sites etc. The methods used will be specifically relevant to the business in the research brief. This is a huge area and a definitive list would be impossible.	
LO3 – Understand key functional areas of business – Production and Operations.	Place – This is distribution not location. It is the study of getting the product to the right place at the right time. Learners should know different methods/ channels of distribution, including ecommerce and direct selling.	
	Producing goods and services – Job production, batch production, flow production, lean production. Learners should know and understand benefits and drawbacks of each. Use of past research briefs and exams will help with delivery. Impact of external factors such as changing technology and legislation should be included here (LO4).	
	Quality control – Should include methods such as inspection, testing and quality standards (external). Also reasons why it is important such as to reduce risk of failure, reduce costs, improve reliability and reputation and increase competitiveness.	
LO3 – Understand key functional areas of business – Production and Operations.	Resource control - Control of the factors of production. This should include workforce planning and division of labour, stock control and management of raw materials and machinery on the production line. Know that these factors need to be organised and controlled to create efficiency and to meet demand.	
	Logistics – It is in fact very similar to distribution and therefore could be taught as part of 'place'. Logistics is the management of the flow of goods between the point of origin and the point of consumption in order to meet some requirements, of customers or corporations. The resources managed in logistics can include physical items, such as food, materials, animals, equipment and liquids, as well as abstract items, such as time, information, particles, and energy. The logistics of physical items usually involves the integration of information flow, material handling, production, packaging, inventory, transportation, warehousing, and often security.	

Some common misconceptions and guidance on how they could be overcome		
What is the misconception?	How can this be overcome?	Resources which could help
LO3 – Understand key functional areas of business – Human Resources Management.	Human resources management – this could be delivered alongside R062 and R063 thereby saving some GLH from R061. Also refer to past research briefs, exams and mark schemes for development.	
	Recruitment – Should include reasons for recruitment eg retirement, changes in technology, increased demand, changing skills, restructuring etc. Methods of recruitment should include internal and external including use of job descriptions, person specifications, advertising, CVs, letters of application, shortlisting, testing and interviews.	
	Training – Reasons for training. These can benefit both the business and the workforce. Might include improve skills, increase motivation, increase productivity and sales, improve quality. Methods would be on the job and off the job training and their benefits and drawbacks.	
	Retention – Reasons why it is important to retain staff might include seasonal demand, loyalty, motivation, resource control, knowledge of skills and reliability, reduced costs of recruitment and training.	
	Pay – Time rates, piece rates, overtime, salaries, commission, bonuses, profit sharing and fringe benefits. No calculations will be required.	
	Working conditions – Legal and ethical requirement of business (LO4). Learners need to be able to give examples of how working conditions are important to a workforce and its motivation.	
	Performance management – Learners should understand the importance of monitoring and managing staff performance. Methods might include measuring output of sales against targets, observation, performance appraisal, levels of absenteeism. Reasons might include to increase productivity, to improve motivation, identify skills gaps (R062), resource control, plan future recruitment, increase worker involvement in their own development.	
LO4 – Understand how external factors impact on business.	<p>The key to this learning outcome is to be delivering it throughout the course, including across units R062 and R063.</p> <p>All of the factors have been exemplified in the specification. It is important that past research briefs and exam paper are used to aid delivery as the last section on all the papers is about these factors and how they impact on a business and its objectives.</p> <p>These factors should be taught throughout the course and incorporated into real business situations in order to analyse what actually happens to an objective when a change in an external factor takes place.</p>	<p>Past Pre-release Materials (Case Studies/Research Briefs), Past Papers, Mark-schemes. Use examples of local businesses.</p> <p>http://www.ocr.org.uk/qualifications/cambridge-nationals-business-level-1-2-award-business-and-enterprise-level-1-2-certificate-j804-j814/</p>

SUGGESTED ACTIVITIES

Learning Outcome 1 – Understand business ownership			
Suggested content	Suggested activities	Suggested timings	Links to other units
1 Where do you work? 	Learners could create a table focusing on two individuals that they know who work, such as parents, carers, family member or friends who have a job. In a table they could create headings such as the name of the business or company, if it is large or small, the location, how long they have worked there etc. Once the table is completed, a class discussion could take place on the different types of organisations where people are employed and these organisations could be divided up into a sole trader, partnership, public limited company and private limited company.	30 minutes	R062 LO1
2 'Mars Bar' lesson – changing forms of business organisation 	Divide the class into groups and give each group a Mars Bar. The group should research the company and the product in order to get an overview of how every part of business interconnects. Learners could research why this remains the largest private limited company in the world? Why might a business change its form of organisation? Why might it not change?	1 hour	
3 I'd like to be ...	Learners could imagine that they are about to start their own business. What business would it be? Why would people come to their business rather than someone else's? What would be the good things about being your own boss? Learners could create a mind map individually or brainstorm with a partner their own business ideas, as well as why it would be good to work for themselves. They could also consider what might be the disadvantages of working for themselves.	30 minutes	R063 LO1
4 Features of business ownership 	Individually learners could be given a different type of local business to investigate, such as a sole trader, partnership, ltd or plc. Using the internet or text books, learners could write down the features of that type of business and present it in the form of a leaflet. Learners could be introduced to the skills of analysis and evaluation by looking at the implications of operating each type of business and the factors each depend on in order to be successful in local, national and international markets.	2 hours	
5 Consolidation 	Create a table with columns such as number of owners/ shareholders, liability, how it is formed, sources of finance, benefits, drawbacks, local examples. Each column should be completed for each form of organisation.	30 minutes	
6 Use of part research briefs	Using past Pre-release Research Briefs/Case Studies, http://www.ocr.org.uk/Images/165511-unit-r061-case-study-june-2014.pdf Learners could attempt to identify what form of business is described in the brief and how it operates. Are there any possibilities that the business might change its form of organisation? Why might it change over time? What are the implications of changing in terms of factors such as liability, workforce satisfaction, need for finance, competition etc? Learners could do this in groups and present their findings. Teacher should identify areas for application to local businesses which might be relevant. Teacher should also identify areas for analysis and evaluation in context.	1 hour	

Learning Outcome 2 – Understand business objectives			
Suggested content	Suggested activities	Suggested timings	Links to other units
1 Planning 	Learners could write down the steps that they have to take in order to complete a piece of work. They could consider the planning (time), the research (resources), the environment (where they should work), the deadline etc. From this, once learners have written the steps, a discussion could take place about the importance of planning and having objectives which the plan will meet.	30 minutes	R063 LO2
2 Business	Teachers could give learners a number of examples of business objectives eg profit, social benefits, sales, market share, and effective service to the public, survival and growth. Examples of local, national and international businesses could be used to explain and discuss which objectives each might have and how they might change depending on what type of business organisation they are.	30 minutes	R063 LO2
3 Which business? 	Learners could bring in a local newspaper or could be provided with one to use as a learning resource. Looking through the local newspaper, learners could identify by reading some of the articles, the different businesses that are mentioned locally within the newspaper and write down the name of the business. From this, they could consider the business objectives that the organisation may have. The learners' thoughts could then be shared with the class. From the newspaper, learners should be able to identify whether the businesses are a sole trader, partnership, plc and ltd, and could complete a table which details their thoughts/ findings in terms of objectives. The class should all have a variety of different local businesses to research to enable learners to gain the most out of the task. The local newspaper could be used as the basis of research into similar businesses to that in the research brief.	1 hour	R063 LO2
4 Why plan? 	Learners could be given a scenario to consider in pairs such as 'changing the school or college day' so that their lessons start at 8am but they finish at 2pm in the afternoon. What planning from the school or college do they think that will need to happen? Who would be involved? Why would this change benefit the school or college? How would the school/college inform the learners? What are the implications of informing everyone? Learners would have to consider the different business planning elements such as finance (producing paper copies of the new timings as not everyone will have access to a mobile phone or computer), heating the building in the winter time when it is colder: Human Resources in terms of staffing contracts with the new hours changed, Catering in terms of providing different meals such as a breakfast option at an earlier break time etc as well as considering the wider local community in terms of the local stakeholders. The learners' discussions could be fed back to the rest of the class. By considering the different aspects of business planning, this task should enable learners to see that detailed planning for the future is an important aspect within business, but the preparations are equally as important when considering any noticeable changes.	1 hour	R063 LO2
5 Use of research briefs	Using past Pre-release Research Briefs/Case Studies, http://www.ocr.org.uk/Images/165511-unit-r061-case-study-june-2014.pdf learners could identify a business' objectives and how different factors will impact on the likelihood that they will be achieved.	1 hour	

Learning Outcome 2 – Understand business objectives			
Suggested content	Suggested activities	Suggested timings	Links to other units
6 Using local research to answer questions	Learners could look at Section B of the Past Papers and discuss how analysis and evaluation might be achieved using local businesses which they have researched. http://www.ocr.org.uk/qualifications/cambridge-nationals-business-level-1-2-award-business-and-enterprise-level-1-2-certificate-j804-j814/	1 hour	

Learning Outcome 3 – Understand key functional areas of business			
Suggested content	Suggested Activities	Suggested timings	Links to other units
1 Where do I belong?	Considering a local medium size business, using a mind map concept, learners could try and identify the different functional areas and think about the tasks that they may complete within these areas. Learners could also consider why there are different functional areas within a business. Why is this important? Why might some functional areas be more important to some businesses than others?	30 minutes	R063 LO1
2 Marketing	Teachers could split the group into teams and give each team a different product to market. Suggestions could be: a new drink, a new piece of sports equipment, a new computer game, a new scooter etc. Using this product, learners could research any competition of similar products (secondary research) enabling them to create a questionnaire (primary research) to help them determine the price or the product, where it could be purchased etc. Learners could also think about who their product will be aimed at which will be an introduction to market segmentation and how this aids the effectiveness of research. This should enable learners to recognise that researching the market is important as well segmentation and the 4Ps. Learners will naturally think about these key business concepts without realising. Past Papers are key to understanding how the marketing mix can be used by local businesses. http://www.ocr.org.uk/qualifications/cambridge-nationals-business-level-1-2-award-business-and-enterprise-level-1-2-certificate-j804-j814/	2 hours	R063 LO1
3 I need some money!	Learners could be shown an episode Junior Dragons Den (which is supporting Children in Need) https://www.youtube.com/watch?v=H0kbMpQ5Qc4 In pairs learners could then think about the different ways in which they could realistically raise finance in order to produce or expand a business without using a television programme to help them. Key criteria such as size of business, what the finance is for, how long it has been in business, how long the finance is needed and the costs of the finance are key to analysis and evaluation.	45 minutes	R063 LO1
4 Managing pocket money	Learners could be given a simple table to complete which details the income of £10 that they receive each week from pocket money and what they have to spend or save each week. Outgoing examples could be: After school snack 50p every school day, magazine every Saturday £2.50 once a week and cinema ticket on a Sunday £1.75 once a week. A discussion could then take place about the remaining money that they have left in terms of what they could do with this such as save it for a more expensive item that they want to purchase in the future for themselves or a present for a forthcoming birthday etc. Learners could also discuss in pairs what may happen if they overspend. What would the consequences be? How could they potentially earn more money?	1 hour	R063 LO2

Learning Outcome 3 – Understand key functional areas of business			
Suggested content	Suggested Activities	Suggested timings	Links to other units
5 Fruit snack shop 	This activity combines the concepts of breakeven as well as costs, revenue and profit. In groups, learners could be given the idea that they are going to introduce a school 'Fruit Snack Shop' at break time, for people to purchase items that are healthy and a little bit different. It could sell fresh fruit but also fruit snacks for their target audience to enjoy. In groups, learners could investigate using Supermarket websites, the different produce that they want to stock and the costings of this stock. The teacher could set a budget of £50 which will include the rent of a space within the school/college of £2.00 per day. The learners will have to try and work out how much produce they will have to sell each day, in order to make sure that they make a profit at the end of the week. Some learners may decide to spend all of the £50, whereas others may choose to save some. Once the learners have completed the task and research, it could be fed back to the class. This task will introduce learners to the concept of 'Break Even' and therefore a class discussion could be completed to highlight how businesses use break even to set targets and ensure that losses are not incurred on a regular basis. No calculations are required for R061.	1 hour 30 minutes	R063 LO2
6 Quality within business	The teacher could ask the class to write down individually, if they have ever purchased a product and it has either broken quickly or not worked at all? Did the learner report the fault to the business? What could be the implications for the organisation? These answers could then be discussed as a class, with this discussion moving onto how businesses try to ensure that this does not happen on a regular basis.	45 minutes	R063 LO4
7 Methods of production	Learners could be given a list of different products and they then have to decide how they are produced. Is it in a factory, on a farm, specifically for an individual, for a small group of people etc? The list could contain items such as; T shirt, lettuce, car, wedding cake, birthday cards, football team shirts, size 13-14 trousers, plants, Easter eggs etc. This list could then be discussed as a group. YouTube links of production methods could be shown to learners to enable them to view some different examples of production methods such as: http://www.youtube.com/watch?v=yeEQRpEBLv4 http://www.youtube.com/watch?v=5-eVjxCO-OE http://www.youtube.com/watch?v=XKGak-4yh-8 http://www.youtube.com/watch?v=lolFebmhx9o	1 hour	
8 Business is popular 	Learners could be given the scenario of 'A new teacher is required to teach business' as more people want to learn about the subject'. How would the school/college employ this individual? What would be the process? Learners could complete a flow diagram which enables them to consider this given scenario and therefore identify the recruitment process within a school/college. This could then be discussed as a group in terms of a local business recruiting new staff.	1 hour	R062 LO1

Learning Outcome 3 – Understand key functional areas of business			
Suggested content	Suggested Activities	Suggested timings	Links to other units
9 Recruitment in business	Learners could identify why jobs become available in a business. What are the different reasons for employing a new member of staff such as retirement, expansion of a business, wanting employees with new innovative ideas, covering sickness or maternity leave etc. and the advantages and disadvantages of each reason, as well as considering the costs and importance of retaining good/loyal employees?	1 hour	R062 LO1
10 Benefits/drawbacks of training	<p>Learners could investigate the concept of training within work and how this can benefit both employees and employers by looking at examples on the internet. A group discussion could take place about the findings.to ensure that the entire group can learn from each other’s input. Learners could then write about the potential negative feelings that some people have about training and why training is important for people and the business.</p> <p>Using examples if appropriate, have any of the learners completed any sort of training in their own time? Maybe they have completed First Aid training, Bikeability training? What did they learn? How did it help them? Was it beneficial? If learners have not completed any training, what training do they think they may benefit from having in the future? Do they know anyone who has completed any form of training? What was it and how did it help? (This could be a further investigation task for the future as well) These training methods could be shared with the group to enable them to demonstrate the variety of different training methods that we can access.</p>	1 hour	R063 LO2
11 Performance management	Learners could consider the many different forms of reporting on their progress within the course they are completing or have had in the past from school and college. This could then be compared to performance management within a business as an example. A group discussion could take place on the importance of performance management within a business from both an employee and employer point of view.	1 hour	
12 Use of research briefs and past questions	<p>Teachers could use the Past Papers and Mark-schemes to go through different types of questions asked about the functional areas (Section C). At all times the answers should be in context if they require analysis and evaluation. Most of the longer questions will also require use of local business research to gain the higher marks.</p> <p>http://www.ocr.org.uk/qualifications/cambridge-nationals-business-level-1-2-award-business-and-enterprise-level-1-2-certificate-j804-j814/</p>	1 hour	

Learning Outcome 4 – Understand how external factors impact on business			
Suggested content	Suggested Activities	Suggested timings	Links to other units
1 External factors and the Research Brief	Teachers should emphasise that these factors impact on all businesses in one way or another and the decisions that they are able to make and objectives they can achieve. Teachers should include external factors when delivering all areas of the specification and preparing the research brief for the examination (Section D). http://www.ocr.org.uk/qualifications/cambridge-nationals-business-level-1-2-award-business-and-enterprise-level-1-2-certificate-j804-j814/	1 hour	
2 Legislation	There are many different business laws that have been created to protect businesses, employers, employees and consumers. In pairs, learners could produce an information leaflet for new businesses which are about to open, detailing no more than 5 laws that they have to abide by and why these are important, as well as the impact the laws have on the business. Learners may need some help and direction when interpreting the content of the business laws.	1 hour	
3 Impact of a change in Government policy	Teachers could suggest an impact of a change in Government policy and ask the learners to consider and describe the impacts of that change on business and families. For example the political effect of the General Election on businesses, the social effect of the Government's flexible working on businesses and employees and their families. Legal external factors such as the increase in the minimum wage from October 2014 which impacts on all businesses within the UK, and environmental policies such as the proposed introduction of the 'plastic bag tax' in 2015 in England (Wales, Scotland and Northern Ireland have already implemented this charge). Learners could then comment upon the advantages and disadvantages of introducing these changes to business and/or families. Learners could identify which factor is which and explain how each impacts on the objectives of a local business.	1 hour	R063 LO2
4 Changing business objectives	Teachers could suggest some external factors and ask the learners to consider how these external factors could impact on businesses objectives that companies/ businesses set within a given time period. How might these have changed over a 5 year period? What would the impact be on a business? Will it be positive or negative or both? In pairs learners could be given three different external factors (selected by the teacher) to discuss and then these could be reported back to the whole class to enable a group discussion to take place. Using this knowledge, learners could then create an individual newspaper article, discussing all the different external factors.	1 hour	R063 LO2

Contact us

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